

GEORGIA DEPARTMENT OF CORRECTIONS Standard Operating Procedures		
Policy Name: Operation of Offender Craft Stores		
Policy Number: 202.03	Effective Date: 12/26/2018	Page Number: 1 of 5
Authority: Commissioner	Originating Division: Facilities Division	Access Listing: Level I: All Access

I. Introduction and Summary:

Offenders at facilities operated by the Department of Corrections are authorized by law to sell goods, wares, and merchandise that they create through the pursuit of a hobby or recreational activity. The proceeds from the sales of items produced by offenders through hobby or recreational activity shall be distributed to the particular offender who created each item less the cost of materials provided by the Department, overhead costs, and a donation to a 501(c)(3) charity designated by the Commissioner. This policy provides guidance for the proper operation of the sales office for such material, particularly the handling and recording of all product sales to the public at Georgia Department of Corrections (GDC) Offender Craft Stores. Participation is voluntary, and the items to be sold are crafts made by offenders that they are choosing to offer for sale.

II. Authority:

- A. O.C.G.A. § 42-5-60(f)
- B. State Accounting Office SOP: CM-100009 - Credit Card Receipts;
- C. GDC Standard Operating Procedures (SOPs): 227.02 Statewide Grievance Procedure; and
- D. ACA Standards: 2-CO-1B-06, 1-CTA-1B-05, 4-4031, and 4-4033.

III. Definitions:

- A. **Georgia Correctional Industries (GCI)** - Programmatic component of Georgia Department of Corrections, which oversees manufacturing, food service, and agribusiness operations.
- B. **Craft Store Staff** - GDC employees trained to operate the Point of Sale System as designated by the Facility Warden.
- C. **Store Receipts** - Point of sale transaction generated for the sale of store goods (e.g., credit or debit card amounts) received.
- D. **Point of Sale (POS)** - Time and place where retail action takes place. The point at

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which a customer makes a payment to merchant in exchange for goods. The POS System is maintained by GCI through overhead costs.

E. **Public** - Non-GDC employees.

F. **Customer** - Person or organization that purchases goods from a store.

IV. Statement of Policy and Applicable Procedures:

A. Financial Transactions:

1. All receipts shall be reconciled daily.
2. Sales received must be controlled with sale receipts, Point of Sale (POS) system or an equivalent method.
3. A sale log or similar documentation must be maintained that includes sufficient information to ensure accountability of all receipts.
4. An independent employee must review and approve the daily sales records.
5. All related documentation must be maintained to establish proper audit trail.
6. There shall be no cash transactions.
7. POS system should only be operated by a staff member.
8. All sales are final.
9. The proceeds of the sales minus the overhead costs and a voluntary donation to a 501(c)(3) charity that supports correctional officers and/or their families will be electronically deposited to the offenders' trust accounts each month. Overhead costs will be ten percent of the total cost of material for each product and applied to administrative and operational costs for the Georgia Department of Corrections (GDC) and Georgia Correctional Industries (GCI).
10. All discounts shall be approved by the GDC and GCI.

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11. All donations shall be approved by the Commissioner.

B. Budget and Accounting: The GDC recognizes the importance of responsible fiscal management for all aspects of GCI accounts. Such responsibility shall be vested in the appointed staff member of the Offender Craft Store. In order to carry out these mandates for fiscal management of GCI, the appointed employee, or their designee(s), shall:

1. Assure compliance with all state and the GDC fiscal policies and standards, including implementation of policy changes and audit findings.
2. Maintain an auditable system and serve as liaison with auditing personnel.
3. Oversee responsibility for the compilation and maintenance of financial records, respond to all requests regarding GCI fiscal procedures, accounts, and budgets.
4. Submit a profit and loss statement weekly or as directed.
5. Maintain accounts receivable and accounts payable records.
6. Maintain daily inventory reports. This includes the monitoring of craft delivery from the facility to the Offender Craft Store. Both the delivering employee and receiving employee shall sign and acknowledge delivered items and quantity.
7. Maintain the appropriate documentation and fiscal accountability when funds are owed or transferred between GCI and the GDC.
8. Provide required documentation needed to prepare offender compensation according to the established guidelines and schedule. Offender compensation will be electronically deposited to the offenders' trust accounts each month.
9. GCI is responsible for providing guidance and support on craft store operations. GCI is responsible for setting the formula based price on all items

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which includes material costs, overhead expenses, and a donation to 501(c)(3) charity. The POS system is updated and maintained by GCI.

C. Customer Relations/Services: The GDC recognizes the importance of maintaining positive relations with customers for repeat orders and positive market place reputation. In order to promote this:

1. The Offender Craft Store will be open and staffed during designated hours.
2. The Offender Craft Store will have established inventory for customer selection.
3. The highest level of customer service shall be provided at all times by staff.
4. Staff shall address customer complaints immediately. If complaints cannot be resolved, a supervisor should be contacted.
5. Staff shall create and implement a formalized process for receiving orders from customers that acknowledges receipt, confirms item, quantity and price.
6. Staff shall create and implement a job tracking system for all customer orders. This process shall include specialized and custom orders.
7. Staff shall verify orders are ready upon agreed delivery date.
8. Upon request, staff shall provide the status of an order.

D. Offender Participation:

1. Offender trainees enrolled in designated vocational, technical, or educational training programs authorized and supported by the department may voluntarily participate in creating items to be sold at the Offender Craft Store.
2. Items may include goods, wares, and merchandise created by such offender through the pursuit of a hobby or recreational activity.

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3. Offenders choosing to create and provide items to be sold at the Offender Craft Store must sign Attachment 1, Voluntary Agreement of Participation & Wage Deduction Form.
4. Offenders choosing to discontinue participation in Craft Store operations must sign Attachment 2, Discontinuation of Participation Form.
5. The Facility Warden or Offender Craft Store staff should address offenders' questions or concerns regarding the sale of items. Upon request, daily sale transaction reports may be shared with offenders.
6. Offender grievances must be filed in accordance with the Statewide Grievance Procedure as outlined in SOP 227.02.

V. Attachments:

Attachment 1: Voluntary Agreement of Participation & Wage Deduction Form
Attachment 2: Discontinuation of Participation Form

VI. Record Retention of Forms Relevant to this Policy:

Upon completion, Attachment 1 and 2 shall be placed in the offender's institutional file and maintained according to the official retention schedule for that file.